

MINUTES OF THE REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, HELD AUGUST 18, 2009, AT 4:00 P.M., AT THE CITY COUNCIL CHAMBERS BUILDING, 826 NORTH MAIN STREET, COTTONWOOD, ARIZONA.

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CALL TO ORDER AND ROLL CALL

Mayor Joens called the regular meeting to order at 6:00 p.m. Roll call was taken as follows:

COUNCIL MEMBERS PRESENT

Diane Joens, Mayor  
Karen Pfeifer, Vice Mayor  
Tim Elinski, Council Member (arrived late)  
Duane Kirby, Council Member  
Linda Norman, Council Member  
Terence Pratt, Council Member  
Darold Smith, Council Member

STAFF MEMBERS PRESENT

Doug Bartosh, City Manager	Marianne Jiménez, City Clerk
George Gehlert, Community Development Director	Dan Lueder, Utilities Director
Richard Faust, Parks & Recreation Director	Steve Horton, City Attorney
A. Douglas LaSota, City Magistrate	Tim Costello, City Engineer
Richard Faust, Parks & Recreation Director	
Kyla Allen, Executive Assistant to the City Manager	
Jason Little, Recreation Superintendent	

PLEDGE OF ALLEGIANCE TO THE FLAG

The Pledge of Allegiance was led by William Bowden, a member of the Parks & Recreation Commission.

BRIEF SUMMARY OF CURRENT EVENTS BY MAYOR, CITY COUNCIL AND/OR CITY MANAGER--  
THE PUBLIC BODY DOES NOT PROPOSE, DISCUSS, DELIBERATE OR TAKE LEGAL ACTION ON  
ANY MATTER BROUGHT UP DURING THIS SUMMARY UNLESS THE SPECIFIC MATTER IS  
PROPERLY NOTICED FOR LEGAL ACTION

Mr. Bartosh stated this was the second year anniversary of the death of City Manager Brian Mickelsen. The Second Annual Guns (Police Department) and Hoses (Fire Department) football game was won by the Hoses, and raised \$1,000 for Mingus High School sports programs. The new fire engine company is fully operational and responding to calls.

Council Member Pratt stated he had attended the Verde River Basin Partnership meeting a week ago.

Mayor Joens stated she had attended the sub-committee meeting on resolutions of the

Arizona League of Cities and Towns. The League Resolution Committee meeting was open to the public and would be held September 1, 2009, at 1:30 p.m., during the League of Arizona Cities & Towns conference in Oro Valley. She also attended the second meeting of the Greater Arizona Mayors in Bullhead City. Issues discussed included legislative wrap-up, preparing for the Arizona League of Cities and Towns conference, and the overall view of the Tri-City Council. She would also be attending the Governor's Rural Development conference as well as the League conference. The Council's first meeting of September has been changed from the 1st to the 8th. The regular work session for September was now scheduled for the 10th.

Council Member Smith stated he had attended the Verde Valley Land Preservation Institute presentation in Jerome.

Ms. Jiménez reminded Council Members of the Intergovernmental Meeting in Camp Verde on August 27. Any items for the agenda for that meeting should be forwarded to her by Friday.

Mayor Joens urged Council Members to attend the Intergovernmental meeting since she and Vice Mayor Pfeifer would be out of town that day.

Council Member Kirby stated he would have NACOG and Senior Commission meetings that day, and would be attending the intergovernmental meeting that night.

#### CALL TO THE PUBLIC

There were no comments from the public.

#### PROCLAMATION—SUPPORT OF THE VERDE VALLEY HUMANE SOCIETY'S NEW ANIMAL SHELTER

Mayor Joens read a proclamation supporting the Verde Valley Humane Society's new animal shelter.

#### APPROVAL OF MINUTES—Regular Meetings of 7/7/09 & 8/4/09, Special Meeting of 8/11/09 & Work Session of 8/11/09

Council Member Kirby moved to approve the minutes. Council Member Norman seconded the motion, which carried unanimously.

OLD BUSINESS—None.

#### CONSENT AGENDA

#### LIQUOR LICENSE APPLICATION FOR LETA MAE HOLLON FOR THE CREMA CAFÉ LOCATED AT 917 NORTH MAIN STREET

PAY APPLICATION NUMBER 20 FOR THE LIBRARY ADDITION PROJECT

PAY APPLICATION NUMBER 7 FOR THE COTTONWOOD RECREATION CENTER PROJECT

RESOLUTION NUMBER 2463--APPROVING A LIBRARY SERVICE AGREEMENT WITH THE YAVAPAI COUNTY LIBRARY DISTRICT TO PROVIDE LIBRARY DISTRICT FUNDS AND BOOKS

RESOLUTION NUMBER 2464--APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE YAVAPAI COUNTY FLOOD CONTROL DISTRICT TO PROVIDE FUNDING ASSISTANCE FOR RAILROAD WASH DRAINAGE IMPROVEMENTS AND THE 8TH STREET CHANNEL

Council Member Pratt moved to approve the Consent Agenda. Council Member Kirby seconded the motion, which carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Numbers 2463 and 2464 by title only.

RESOLUTION NUMBER 2463

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, APPROVING A LIBRARY SERVICE AGREEMENT WITH THE YAVAPAI COUNTY LIBRARY DISTRICT TO PROVIDE LIBRARY DISTRICT FUNDS AND BOOKS.

RESOLUTION NUMBER 2464

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH YAVAPAI COUNTY FLOOD CONTROL DISTRICT TO PROVIDE FUNDING ASSISTANCE FOR RAILROAD WASH DRAINAGE IMPROVEMENTS AND THE 8TH STREET CHANNEL.

NEW BUSINESS

RESOLUTION NUMBER 2462--PROVIDING NOTICE OF INTENT TO ADJUST WATER RATES, FEES, AND CHARGES FOR THE CITY OF COTTONWOOD WATER UTILITY

Mr. Lueder stated in August 2008 the Council authorized a comprehensive review of water and sewer rates. Water rates had not been thoroughly reviewed since their initial adoption in 2004, while the last review of sewer rates preceded that. A rate study was presented to the Council on July 14, 2009. Staff was directed to return at a regularly scheduled Council meeting to present a notice of intent to adjust water and sewer rates. Should the Council approve tonight's notice of intent, a public hearing must be held within 30 days. That would occur on October 6th. Should the rates be approved at that time, new rates would become effective no sooner than November 7th.

Mayor Joens opened the floor for public comments. There were no comments from the public.

Council Member Pratt moved to approve Resolution Number 2462. The motion was seconded by Vice Mayor Pfeifer and carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2462 by title only.

RESOLUTION NUMBER 2462

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, PROVIDING NOTICE OF INTENT TO ADJUST WATER RATES, FEES, AND CHARGES FOR THE CITY WATER UTILITY.

APPROVAL OF A SALES CONTRACT FOR THE PURCHASE OF A VACANT PARCEL OF LAND ON RAINBOW DRIVE, APN 406-42-185C, FOR ACCESS TO A MUNICIPAL WELL SITE

Mr. Lueder stated the City was subject to a federally mandated arsenic remediation program currently being implemented. One site constraint for the well 7-2 site in Verde Village was it did not allow access by heavy machinery because of a major wash. Bridging the wash to allow access would cost \$79,172.63. A parcel of land on Rainbow Drive allowed access and was appraised at \$38,000 and would require minimal improvements. Staff believed the cost savings justified purchase of this parcel. Staff was requesting the Council authorize its purchase and give the Mayor authorization to sign the sales contract.

At this point in the meeting, Council Member Kirby asked if the previous agenda item regarding water rates was also intended to be for sewer as well, because wastewater rates were not mentioned.

Mr. Horton stated the motion legally only would cover water rate increases.

Mr. Lueder stated rather than have two separate public hearings, it would be preferable to create a new resolution and present that to the Council for approval.

Mr. Horton suggested rescinding the previous resolution.

Council Member Kirby moved to rescind the legal action. Council Member Smith seconded the motion, which carried unanimously.

Continuing the discussion regarding the purchase of a vacant parcel of land for access to the well 7-2 site, Mr. Bob Oliphant, of Cottonwood, asked what the total square footage of the lot was and if only one appraisal was made.

Mr. Lueder stated the lot was 0.26 acres. One appraisal was made. The full cash value on the 2009 tax form was \$54,400. It was felt the appraisal was appropriate. No improvements

were contemplated other than slight improvements for road access. The type of ion exchange unit at this site required needed servicing by a mobile regeneration unit. That was why access was important. Improvements were not expected to cost over \$1,000. This would allow access without having to cross the wash.

Council Member Kirby moved to approve the purchase of a parcel of land identified as Yavapai County parcel 406-49-039 for a total cost of \$38,000, and authorize the Mayor to sign the purchase agreement. Council Member Norman seconded the motion, which carried unanimously.

#### APPROVAL OF AMENDMENTS TO THE BASIN WATER ARSENIC LEASE AND WATER SERVICES AGREEMENTS

Mr. Lueder stated during the fiscal year 2010 budget workshop, staff proposed to the Council various amendments to the Basin Water services agreement. These would potentially save the City a substantial amount of money. The amendments were presented to the Council at the July 14 work session, and staff was directed to proceed and present them for approval at a regular Council meeting. Included in the amendment to the contract were changes to various wells that were not cost effective to treat arsenic. Regarding water services, City staff would take over operation of these units, including the mobile regeneration unit. This would result in a minimum cost savings of \$136,000 a year. When arsenic bids were originally drafted the City had just acquired the water companies and it was unsure whether our staffing was adequate to conduct the arsenic treatment functions. It was now felt we did have adequate staff with proper training to take over these functions. Should the Council approve the amendments, the Mayor would not be asked to sign them until such time as Basin Water had formally agreed in writing to all of them. That was anticipated to be in mid-September.

Council Member Kirby expressed his agreement and urged moving them forward.

Mayor Joens opened the floor for public comments. There were no comments from the public.

Council Member Pratt moved to approve the amendments to the Basin Water arsenic remediation lease and water services agreement, including purchase of the mobile regeneration unit, and authorize the Mayor to execute the amendments subject to receipt of verification from Basin Water that the amendments had been accepted. The motion was seconded by Council Member Kirby, and carried unanimously.

#### APPROVAL OF FINAL PLAT FOR PHASE III OF THE MESQUITE SPRINGS SUBDIVISION LOCATED ALONG THE WEST SIDE OF SOUTH SIXTH STREET

Mr. Gehlert stated this was a request for a final plat for the third phase of development at the Mesquite Springs subdivision. The preliminary plat was made three years ago. The project was located along the west side of Sixth Street, between Sixth Street and the

industrial area along side the airport. It was bounded by an older mobile home park and Silver Springs Wash. This application was for the final 11 lots as part of the 13 acre development. It was completely platted and all public improvements, including streets, water, sewer, and fire suppression were in. Originally these lots were encumbered by a FEMA flood plain boundary. The applicant had successfully petitioned FEMA to adjust the flood plain boundaries. Mr. Gehlert illustrated the locations using PowerPoint. Staff recommended approval subject to the following stipulations: 1) The property be developed and subdivided according to the final plat seal dated July 14, 2009, as may be amended by the City Council; 2) The project conform to the Council's prior stipulations in their approval of the preliminary plat on February 21, 2006, and 3) any other conditions the Council deemed necessary.

Council Member Kirby asked if the channelizing of the wash would have any affect of the water levels at Sixth Street during the rainy season.

Mr. Costello stated contours had not been changed but rip-rap had been used and the channel had largely remained natural.

Council Member Smith asked how potential buyers would be told about the need to anchor structures against flotation.

Mr. Tom Pender, Agent/Engineer for the project, stated channelization would create more flooding. His goal had been to allow natural vegetation to deter erosion in the wash corridor. A little rip-rap had been put in near a sediment basin that was created. The previous floodplain was depicted by using cross-sections of locations 600 feet apart with extrapolation between them. When this development came to be put in, closer measurements were made which showed the errors of the earlier study. After more detailed studies FEMA was petitioned and they arrived at the same conclusion. The new map was more precise and homes which had previously been shown in the old floodway were found to be outside it under the new study. Now none were depicted as being in the floodway. A 100 year flood event might result in some water in the streets, but not to any of the pads as they have been developed. FEMA had been advised and changes were expected on their 100 year event map after they reviewed it and reissued it.

Council Member Kirby stated original studies had indicated there would be a significant rise in water levels because of the houses.

Mr. Pender stated a FEMA floodway was defined by encroachment on both sides of the wash. In models, it was narrowed until there was a maximum one foot rise in water level above what would occur without any development. The model had to be adjusted so that the one foot rise was not exceeded anywhere along the wash. That was how the floodway was determined, both upstream and downstream. There were requirements for 100 year events that required the land be an additional foot higher than that one foot increase in water level. The higher precision in mapping and recording was due to the higher property value now assigned to land by local washes.

Vice Mayor Pfeifer stated home owners would save large amounts on their insurance policies by no longer being depicted as having property in the floodway.

Mr. Oliphant, of Cottonwood, asked if FEMA's realignment resulted from information sent them by Mr. Pender, or if they had sent independent engineers to conduct an on-site examination. He also asked if the City was adequately protected if it allowed this building to go through and mistakes had been made.

Mr. Costello stated FEMA did not do ground work. Surveying had been done by registered engineers and surveying firms in the usual manner. The liability associated with the risk had been lowered. The lots in question had been designated by FEMA to be in the floodplain not the floodway. There was a requirement for mobile/manufactured homes to be elevated one foot and anchored and complied with our ordinances.

Council Member Kirby asked if a federal stamp of approval obligated us in any way as far as this was concerned.

Mr. Horton stated we were acting reasonably by making land use decisions based on reasonable information. Risk could not be entirely eliminated.

Mr. Costello stated notice would be given to those who elected to choose a site in the flood plain.

Mr. Pender stated anyone locating in the floodplain would be required to have flood insurance on their mortgages. FEMA would help those who did, should they ever be flooded.

Council Member Pratt moved to approve the final plat for Mesquite Springs, Phase III, subject to the stipulations: 1) The property be developed and subdivided according to the final plat seal dated July 14, 2009, as may be amended by the City Council; 2) The project conform to the Council's prior stipulations in their approval of the preliminary plat on February 21, 2006, and 3) any other conditions the Council deemed necessary. The motion was seconded by Council Member Kirby, and carried unanimously.

RESOLUTION NUMBER 2465—APPOINTING JOAN DWYER AS JUDGE PRO TEM FOR THE COTTONWOOD MUNICIPAL COURT

Judge LaSota stated Judge Dwyer had been a Judge Pro Tem for several years and had been instrumental in helping straighten out problems experienced previously at the court. She had served in surrounding communities and had many years of experience.

Vice Mayor Pfeifer moved to approve Resolution Number 2465, appointing Joan Dwyer as Judge Pro Tem for a two-year term. The motion was seconded by Council Member Norman, and carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2465 by title only.

RESOLUTION NUMBER 2465

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPOINTING JOAN S. DWYER AS A PRO TEMPORE CITY MAGISTRATE AND ESTABLISHING HER TERM OF OFFICE.

RESOLUTION NUMBER 2466—APPOINTING PAUL JULIEN AS JUDGE PRO TEM FOR THE COTTONWOOD MUNICIPAL COURT

Judge LaSota stated Judge Julien conducted new judge orientation and did pro tem work throughout the state and had a wealth of experience in various fields and was willing to be reimbursed solely for expenses.

Mr. Julien reviewed his resume and experience.

Council Member Kirby moved to approve Resolution Number 2466, appointing Paul Julien as a Judge Pro Tem for a two year term. The motion was seconded by Council Member Smith, and carried unanimously.

Mayor Joens asked the City Clerk to read Resolution Number 2466 by title only.

RESOLUTION NUMBER 2466

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, APPOINTING PAUL JULIEN AS A PRO TEMPORE CITY MAGISTRATE AND ESTABLISHING HIS TERM OF OFFICE.

APPROVAL OF THE APPOINTMENT BY JUDGE BRUTINEL OF JUDGE A. DOUGLAS LASOTA TO SERVE AS A JUVENILE HEARING OFFICER

Judge LaSota stated this appointment would not change the way he did business at court. It would add a few juvenile cases at the misdemeanor level in which he had experience. There would be no extra costs. Local cases could be tried locally, to the convenience of all parties concerned.

Mayor Joens opened the floor for public comments. There were no comments from the public.

Council Member Norman moved to approve the appointment of the Hon. A. Douglas LaSota as a Juvenile Hearing Officer pursuant to Administrative Order Number 2009-12 by the Hon. Robert Brutinel dated July 22, 2009. The motion was seconded by Vice Mayor Pfeifer, and carried unanimously.

DIRECTION TO STAFF REGARDING WRITING A LETTER FOR THE MAYOR'S SIGNATURE

SUPPORTING A FOUR-LANE WIDENING PROJECT ON SR260 FROM THOUSAND TRAILS TO I-17

Mr. Costello stated Yavapai County requested a letter signed by the Mayor in support of a 4-lane project on Highway 260 for the eight mile segment from Thousand Trails to I-17. The County was applying for a competitive round of federal stimulus funds. The recent improvements made on SR 260 did not increase capacity. This letter of support would be attached to the federal grant application.

Mayor Joens opened the floor for public comments. There were no comments from the public.

Council Member Pratt moved to direct staff to write a letter for the Mayor's signature that supported a 4-lane, widening project on SR 260 from Thousand Trails to I-17. The motion was seconded by Council Member Kirby, and carried unanimously.

AWARD OF BID FOR WASTE REMOVAL AND RECYCLING SERVICES FOR CITY FACILITIES AND PARKS

Mr. Faust stated on April 7, 2009, the Council rejected waste removal service bids and re-directed staff to obtain new bids including recycling services. Three bids were received in response to the combined recycling and waste removal request for bids. Staff recommended awarding the bid to the low bidder, North American Waste Systems (NAWS), for \$13,200.

Council Member Smith stated Waste Management's bid was three times that of the others.

Mr. Faust stated bids had been done for 17 years and Waste Management's bid had always been 2-3 times higher than the others. Containers for recycling would have designated bins outside of City offices. Bids were for annual service.

Dr. Bob Richards, of Cottonwood, stated his subdivision formerly had a contract with NAWS. Service was unreliable and the contract had been cancelled. He asked about the viability of the company.

Vice Mayor stated her service with them had been exemplary.

Mr. Faust stated they had multiple trucks. Service to the City had been good for six years. When problems arose they had always been resolved satisfactorily. Their service level was good. The contract could, if necessary, be dissolved upon 30 days notice.

Council Member Norman moved to award the waste/recycling services contract to North American Waste Systems in the amount of \$15,200. Vice Mayor Pfeifer seconded the motion, which carried unanimously.

Mayor Joens stated for the record that Council Member Elinski arrived at 6:35 p.m.

APPROVAL OF THE LEASE OPTION FOR THE INSTALLATION OF RECREATION CENTER GAME ROOM EQUIPMENT FOR THE RECREATION CENTER

Mr. Faust stated the Game Room was located across from the reception area in the Recreation Center with a view of its interior offered through windows to ensure safety and to allow for quick resolution of any problems that might arise.

Mr. Little stated the Council would be asked to purchase gaming equipment for the Game Room in the new Recreation Center. The Youth Commission had been involved in the selection process. Three quotes had been sought from various vendors. The equipment would be installed for a period of four years, after which the City would have the option of purchasing it.

Council Member Smith asked about the cost of warranty packages.

Mr. Little stated it depended on what we wanted covered. The major units were what was thought might be worth covering. Wii and PlayStation units were thought not to be worth covering.

Mr. Faust stated the Youth Commission had identified interactive gaming as its priority. These games were also useful for medical therapy, family play, and individual use.

Council Member Smith asked if software was to be changed bi-weekly.

Mr. Faust stated changes would be made periodically, as needed, to retain user interest in the games. Staff would be on hand in the Game Room after 4:00 p.m.

Mayor Joens opened the floor for public comments. There were no comments from the public.

Council Member Pratt moved to approve the lease option for installation of Recreation Center Game Room equipment in the amount of \$1,037.60 per month for 48 months from New Vision Equipment Leasing. The motion was seconded by Council Member Kirby, and carried unanimously.

APPROVAL OF FUNDS TO PROMOTE THE 2010 CENSUS

Ms. Allen stated she was requesting \$3,000 from the Council's contingency fund to promote the 2010 census. In the previous census of 2000, the City was able to count only 68 percent of its residents. The result had been 32 percent less funding than we should have been eligible for and for what was needed to serve those residents. This could equate to anywhere from \$1.8 million to \$4 million annually in funding not received. The upcoming census could result in redistricting. Some programs we had missed out on were Title One Grants to Schools, Head Start, public transportation, road rehabilitation and construction, and programs for the elderly. It was essential we promote the census. The most at risk

groups were the Hispanic and transient population. The census provided \$2,900 which could not be used for printing or advertising. A committee had been formed to work with the Census Bureau.

Discussion followed regarding the importance of counting all people and reassuring the Hispanic population that Immigration was not informed or involved in census activity.

Council Member Kirby moved to approve expenditures of \$3,000 from the Council contingency fund for the 2010 census. The motion was seconded by Council Member Smith, and carried unanimously.

DISCUSSION AND POSSIBLE ACTION REGARDING PURSUING THE ANNEXATION OF FOREST SERVICE LAND NORTH OF THE CITY OF COTTONWOOD OR ENTERING INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF CLARKDALE

Mr. Bartosh stated the Council had met last Friday with the Clarkdale Town Council to discuss Cottonwood's planned annexation of Forest Service land. The Council decided at that time to discuss and consider a proposed intergovernmental agreement (IGA).

Mayor Joens, noted this had been added to the original agenda and asked if the press had been notified of the amended agenda.

Ms. Jiménez stated she had emailed the amended agenda to representatives of the newspapers.

Council Member Smith stated he saw no reason for an IGA, and we should go ahead with the annexation. We could make a motion that the only reason we were doing so was to keep it as open space. An IGA with Clarkdale, who theoretically had no way to annex this land, was mute. We could just as well have an IGA with Phoenix.

Council Member Pratt stated Clarkdale could annex it if they first annexed the strip of land in between. His concern was that it should remain open space. He would support whatever best did that. The reason he supported an IGA was it also gave us some influence on the 160 acres they proposed to annex, if we were to put in such a stipulation. Then that land too, could be retained as open space. He supported the IGA as a way to protect Forest Service land and a way to protect the land Clarkdale annexed as part of the Ruskin land trade.

Council member Elinski stated he agreed. There was no threat to the Forest Service land. The IGA was a good concept and showed cooperation and left our options open. It would open dialogue with Clarkdale about future ways to determine ways to preserve National Forest land as open space. He supported the IGA.

Council Member Kirby stated he did not support the IGA. We didn't need it and we didn't need to add Clarkdale's influence into what we are doing. He was against it for that

particular reason. It was not our IGA, it was their IGA, and they were telling us what to do and they were telling us we were going to have to live with it. Our application was in for annexation and we should go forward.

Vice Mayor Pfeifer stated she agreed we did not need an IGA. We would just be tying our hands and those of future councils and the citizens of Cottonwood. We were not going to develop it. Future councils could make a different determination. We were good neighbors and wanted to cooperate, but we did not need Clarkdale's permission to do this. Others cooperated less with us and now wanted to be able to tell us what we could and could not do. We should go forward with annexation.

Council Member Norman stated she had changed her mind since Friday. She was kind of on the fence Friday and after that meeting thought about it and did not really think we need an IGA either. The one thing that bothered her was she had never seen the IGA.

Council Member Smith asked why, if Clarkdale could not annex the land, did their IGA have a 60 day waiting period for us to do so. Since they had no say, we should not consider an IGA with them. If we had control of the Forest Service land, no one could develop it and we could keep it as open space. The Payson parcels already had homes on them before they were annexed. No one lived in the area we proposed to annex. We didn't need an IGA or Clarkdale telling us what to do.

Council Member Pratt stated it did not have to be Clarkdale's IGA. It could be ours and theirs. Forest Service and State Trust lands were two different subjects. He did not support annexing the Forest Service land. The key for the IGA was it could give us some say and control on the Clarkdale land they annexed. Currently we had no influence.

Council Member Kirby stated we could find a way to work with the federal government to make a forest preserve that would guarantee the land be retained in its current condition in perpetuity.

Council Member Elinski stated that was essentially what we had now with the Forest Service. The IGA was a good idea regardless that Clarkdale thought of it.

Discussion continued between the two opinions including reservations by the City Attorney about entering into such an IGA, and public expressions given previously to Council Members that Clarkdale did indeed intend to annex the Forest Service land if Cottonwood did not.

Dr. Bob Richards, of Cottonwood, stated he favored the IGA. Annexation in September would set the property for the next 100 years, he thought. The City had made errors before, in his opinion, by abolishing property taxes and in implementing the airport leases the way it had. A rash decision on the IGA now would have impacts for generations to come. The IGA allowed breathing room. There was no harm in getting an IGA with Clarkdale which stated the two communities wished to keep the Forest Service land as open space. Cottonwood

would still retain the ability to annex it. The Council might later learn additional information that would make it regret annexing the land now and that annexing it would have been a bad idea.

Council Member Smith stated there was no reason to wait and no harm in annexing it now. There was no cost and we would retain it as open space.

Ms. Carol Hulse, of Cottonwood, stated her e-mail correspondence to the Council today should be entered into the public record. In it she urged the Council to continue the process of annexation of both the Forest Service lands and the State Trust lands. Money had already been expended to initiate the annexations. It should not be thrown away just to start over again later. There would be no harm to anyone if Cottonwood did annex these lands. An IGA would not help Cottonwood, but Cottonwood could be harmed if it did not annex these lands. By not making a decision, there would be a risk others would annex these lands. It had happened before. The primary argument against annexing Forest Service land was that it would become targeted for trade. Her analysis of the lands traded around Payson, used last Friday to support this argument, was that Payson decided to annex only after the trade was already underway, and that the facts Friday had been misrepresented. Development might target land for trade, but not annexation. There was a lot of National Forest land in Sedona and Camp Verde, and Cottonwood had previously annexed Forest Service land and none of it had been targeted for trade. If these lands developed, the City should have some say in how that happened. The annexation started with a united Council. Clarkdale should not be allowed to divide the Council now.

Mr. Doug Hulse, of Cottonwood, stated he supported what Mrs. Hulse stated. No other community had our best interests in mind. Clarkdale had demonstrated at least twice they were out only for Clarkdale. Never once had any other municipality or entity in the Verde Valley come to us and asked, "We are going to do something, what do you think about it?" But they did come to us to tell us they didn't want us to do something. If the City did not proceed with the annexation now, history would repeat itself. This was the right thing to do. We should not go down a path where we could not control what was best for Cottonwood. Cottonwood had always looked out for the best interest of everybody in the Verde Valley. The Recreation Center was a good example of that. Cottonwood's annexation will benefit it and the Verde Valley. Preservation as open space was the ultimate goal and we were the ones who could best preserve it. Other communities could take it away and turn it into some kind of development.

Council Member Smith moved to go ahead with the annexation and designate that Forest Service land as open space and to remain as open space. Council Member Kirby seconded the motion.

Mr. Gehlert stated we would probably never have the ability to zone this land as open space, especially without the collaboration of the Forest Service. We didn't have the ability to do that. Everybody, including Clarkdale, would like to see it remain relatively undisturbed and undeveloped. There were various ways of accomplishing that. Tying the words "open

space” to the motion was probably not entirely legal or appropriate. It was something the Forest Service could respond to.

Mr. Horton stated such a motion would not have a great deal of legal effect.

Discussion followed about the best way to word such a motion.

Council Member Smith amended his motion by moving to direct staff to complete the annexation process of forest land north of the City of Cottonwood and with direction to staff to prepare a resolution to bring back to the Council asking the Forest Service not to trade this land.

After further discussion, Council Member Smith withdrew his original motion and his second, amended, motion. He then moved to direct staff to complete the annexation process of forest land north of the City of Cottonwood. Council Member Kirby seconded the motion. Mayor Joens asked for a roll call vote which was taken as follows:

Mayor Joens - Yes

Vice Mayor Pfeifer – Yes

Council Member Elinski – No

Council Member Kirby - Yes

Council Member Norman – Yes

Council Member Pratt - No

Council Member Smith - Yes

The motion passed 5-2 with Council Members Elinski and Pratt dissenting.

Mayor Joens stated direction was for staff to bring back to the City Council a Resolution stating this Council supported the national forest and wanted to keep it as open space in perpetuity.

#### CLAIMS & ADJUSTMENTS

Council Member Pratt moved to pay the claims and adjustments. Council Member Norman seconded the motion, which carried unanimously.

#### ADJOURNMENT

Mayor Joens moved to adjourn. Vice Mayor Pfeifer seconded the motion, which carried unanimously. The regular meeting adjourned at 8:35 p.m.

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Diane Joens, Mayor

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Marianne Jiménez, City Clerk

CERTIFICATION OF MINUTES

I hereby certify that the attached is a true and correct copy of the minutes of a regular meeting of the City Council of the City of Cottonwood held on September 15, 2009. I further certify that the meeting was duly called, and that a quorum was present.

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Marianne Jiménez, City Clerk

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Date